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December 6, 2001

BY HAND DELIVERY

John M. Burgett 202.719.4239 jburgett@wrf.com

Magalie Roman Salas, Secretary Federal Communications Commission The Portals 445 Twelfth Street, S.W. 12th Street Lobby, TW-A325 Washington, DC 20554

Re: Network Affiliation Agreement

KTVB(TV), Boise, Idaho (Facility ID #34858)

WCNC-TV, Charlotte, North Carolina (Facility ID #32326)

KGW(TV), Portland, Oregon (Facility ID #34874) KING-TV, Seattle, Washington (Facility ID #34847) KTFT-LP, Twin Falls, Idaho (Facility ID #34843)

Dear Ms. Salas:

Transmitted herewith on behalf of Belo Corp., the parent company of the licensees of the above-referenced television stations, pursuant to Section 73.3613 of the Commission rules, is a Term Sheet outlining the terms of the stations' affiliation with the NBC Television Network.

If there are any questions concerning this matter, please contact the undersigned.

Respectfully submitted,

Jøhn M.Burgett



August 2, 2001

Belo Corp. 400 South Record Street Dallas, Texas 75202

Re: <u>Term Sheet for Affiliation Agreement</u>

Ladies and Gentlemen:

In connection with that certain Letter Agreement for Affiliation (the "Agreement") dated as of August 1, 2001 and effective as of January 1, 2001 between Belo Corp. ("Group") and the NBC Television Network ("NBC") regarding the affiliation with NBC of television broadcasting stations KTVB (Boise, ID), WCNC (Charlotte, NC), KGW (Portland, OR), KING (Seattle, WA) and KTFT (Twin Falls, ID) (each, a "Station" and collectively, "Stations"), Group and NBC hereby agree that:

- Notwithstanding the "Programmed Time Periods" provision of the Agreement, 1. NBC shall provide sufficient Programming for the hours set forth on Schedule A hereto the quality and type of which shall be consistent with the quality and types of Programming currently provided to the Stations; provided, that NBC may (a) subtract from or otherwise modify (but not add to) the Programmed Time Periods for any Station upon at least one hundred eighty (180) days notice to such Station and (b) add to the Programmed Time Periods only after NBC has announced the proposed addition to a majority of NBC affiliated stations and determined to implement such addition with respect to such majority. From time to time, NBC shall offer additional NBC Sports Programming and special events programming to the Stations for broadcast at other times; provided, that no Station shall be obligated to clear more than 583 hours of NBC Sports Programming (excluding Olympics) on Saturdays and Sundays during any calendar year (a "Year"). Each Station shall have a right of first refusal with respect to all NBC Sports Programming or special events programming offered to such Station by NBC and with respect to all NBC network programming within the Programmed Time Periods and made available generally to the NBC affiliates, which right shall be good for seventy two (72) hours from the time NBC offers such programming to Stations, as against any other television station in such Station's community of license or any television program transmission system furnishing a television signal to such Station's community of license (including, but not limited to, cable television, subscription television, satellite, multipoint distribution and telephone systems).
- 2. Notwithstanding the "Program Clearance" provision of the Agreement: (a) for each Year, each Station shall be entitled to out-of-pattern clearance consistent with current practice for (I) all local news programming and (II) for all non-news programming which such Station is party to a binding agreement as of the date hereof, and only for the duration of such agreement (excluding any renewals or amendments of the term of such agreement), as such

current practice is set forth on Schedule A hereto; and (b) each Station shall at any time be entitled to preempt any NBC Programming (i) for Station's live coverage of breaking local news events, including follow-up coverage which airs within 48 hours of the original newsworthy event, (ii) in the event of force majeure, (iii) if such Station reasonably believes that such Programming would not meet prevailing contemporary standards of good taste in the community of license or (iv) if the programming is delivered in a form which does not meet accepted standards of good engineering practice. Any non-clearance or preemption of Programming in accordance with this paragraph 2 shall not count toward a Station's preemption basket and shall not obligate such Station to reimburse NBC for lost advertising revenues.

- Stations may preempt, collectively in the aggregate, up to 50 hours of NBC Sports Programming, provided that no individual station may preempt more than 12 hours; and (b) for each Year, the Stations may preempt NBC Prime Time Programming as set forth on Schedule B hereto; provided, that a Station's (and the Group's total) preemption basket will be increased by one-half hour each time the following occurs: (i) NBC Programming preempts a Station's local Saturday or Sunday early evening newscast more than thirty nine (39) times in any Year (unless such Station in turn preempts NBC Nightly News in order to air such Station's newscast) or (ii) NBC Programming preempts a Station's local late evening newscast more than thirty (30) times in any Year. Any preemption by a Station in accordance with this paragraph 3 shall not obligate such Station or Group to reimburse NBC for lost advertising revenues.
- 4. Notwithstanding the "Local Inventory Level" provision of the Agreement, NBC agrees that the average number of thirty-second units available to each Station for local commercial announcements during Prime Time (i.e. 8 pm to 11 pm Monday through Saturday and 7 pm to 11 pm Sunday, Eastern; 7 pm to 10 pm Monday through Saturday and 6 pm to 10 pm Sunday, Central and Mountain) shall be not fewer than 106 per week and during other time periods shall not be fewer than ninety percent (90%) of the average weekly number of thirty-second units made available to such Station in the 2000 Year; provided, that NBC shall be entitled to reduce the Stations' units for national sports programming, Olympics programming, special news coverage and other special events which for reasons beyond NBC's control limits NBC's ability to make time available for local commercial announcements.
- 5. Notwithstanding the "On-air Network Promotions" provision of the Agreement, (a) for the Year 2001, the Stations shall contribute, collectively in the aggregate, at least 70,000 GRPs per Year, provided that no Station shall contribute fewer than 10,000 GRPs per Year, with a minimum of 40% and a maximum of 60% allocated to Prime Time; and (b) for each Year after the Year 2001, (I) the Stations shall contribute, collectively in the aggregate, the lesser of (A) 70,000 GRPs or (B) such number of GRPs as equals, on a percentage basis in regard to the total average GRPs available to all of the Stations, 70,000 divided by the total average GRPs available to all of the Stations for the preceding year and (ii) each Station shall contribute no fewer than the lesser of (X) 10,000 GRPs per Year or (Y) such number of GRPs per year as equals, on a percentage basis in regard to the total average GRPs available to such Station, 10,000 divided by the total average GRPs available to such Station for the preceding Year, in either case with a minimum of 40% and a maximum of 60% allocated to Prime Time.

6. Notwithstanding the "Station Payments" provision of the Agreement, in no event will Group's obligation to fund the Genesis project be greater than its pro rata share of \$18 million. NBC, Group and the Stations agree that the payments listed on the Schedule of Compensation/Affiliation Payments to the Term Sheet are net payments and shall include all NewsChannel, IMP and Distribution Costs payable by Group and Stations to NBC.

7. Notwithstanding paragraph 4 of the Agreement related to assignment:

- This Agreement shall not be assigned or transferred (whether by operation (a) of law or otherwise) directly or indirectly without the prior written consent of NBC, which consent shall not be unreasonably withheld (it being understood that NBC may withhold such consent if after conducting good faith due diligence on the proposed transferee, NBC has reasonable objections to the financial or operational capabilities of the prospective assignee or transferee), and any permitted assignment shall not relieve Group or Stations of their respective obligations hereunder. Notwithstanding the foregoing, NBC's prior written consent shall not be required for an assignment or transfer to an affiliate of Group or, to the extent the proposed assignment or transfer relates solely to any one or more Stations, an affiliate of such Station(s). For purposes of this paragraph 9, (i) "affiliate" shall mean any entity directly controlling, controlled by or under common control with Group or Station, as applicable, (ii) "control" shall mean having the power to direct the affairs of an entity by reason of any of the following: (A) having the power to elect or appoint, directly or indirectly, a majority of the governing body of such entity, (B) owning or controlling the right to vote a majority of the voting interest of such entity or (C) otherwise owning or controlling a majority interest in such entity, and (iii) "transfer" shall include, without limitation, any direct or indirect change in the control of Group or any Station. Any purported assignment or transfer by Group or any Station without NBC's consent as required hereby shall be null and void and not enforceable against NBC.
- Group and each Station (individually, a "Transferring Station") agrees to (b) include as a condition of any proposed assignment, sale or transfer of direct or indirect ownership or control of Group or the Transferring Station a contractually binding provision that the assignee or transferee shall assume and become bound by an agreement, to be provided by NBC substantially in the form of this Agreement but relating only to the Transferring Station (in the case of an assignment or transfer by a Station), for the remainder of the then-current term of this Agreement or, at NBC's option, three (3) years from the date of said assignment, sale or transfer, whichever period is greater. Upon NBC's approval of such proposed assignment, sale or transfer, NBC shall, pursuant to and in accordance with the terms and provisions of the assumption agreement, release the Transferring Station from any further liability to NBC under this Agreement with respect to obligations arising after the effective date of such assignment, sale or transfer. Each Station acknowledges that any such assignment, sale or transfer which does not so provide for such assumption and for NBC's right to extend the term of Station's affiliation agreement will cause NBC irreparable injury for which damages are not an adequate remedy. Therefore, each Station agrees that NBC shall be entitled to seek an injunction or similar relief from any court of competent jurisdiction restraining a Transferring Station from committing any violation of this paragraph 9(b).
- (c) Each Station agrees that if any application is made to the FCC pertaining to an assignment or a transfer of control of Station's license, or any interest therein, Station shall

immediately notify NBC in writing of the filing of such application. Except as to transactions pursuant to which NBC's consent is not required or transactions to which NBC has given its consent pursuant to paragraph 9(a) hereof ("Permitted Transfers"), NBC shall have the right to terminate this Agreement, with respect to each Station for which an application was made, in the event of any assignment or transfer. Each Station agrees that promptly following such Station's notice to NBC, such Station (i), except in the case of Permitted Transfers, shall arrange for a meeting between NBC and the proposed assignee or transferee to review the financial and operating plans of the proposed assignee or transferee, and (ii) shall procure and deliver to NBC, in form satisfactory to NBC, the agreement of the proposed assignee or transferee that, upon consummation of the assignment or transfer of control of the Station's license, the assignee or transferee will assume and perform an agreement, to be provided by NBC substantially in the form of this Agreement but relating only to the Transferring Station, in its entirety without limitation of any kind. If Station complies with its obligations set forth in the preceding sentence and NBC does not terminate this Agreement with respect to such Station upon written notice to Station within the thirty (30) day period following the later of the meeting with the proposed assignee or transferee or the delivery to NBC of a satisfactory assumption agreement, NBC shall be deemed to have consented to the assignment or transfer of control.

- (d) Group and Stations each acknowledge that notwithstanding any other provision of this Agreement, amounts payable to Group under the "Compensation" provision of this Agreement shall not be assignable. NBC agrees, however, upon Group's request to engage in reasonable commercial discussions with a proposed transferee regarding mutually acceptable economic terms.
- (e) NBC agrees that in the event of a sale or transfer of all or substantially all of the assets or business of NBC (whether structured as a sale or transfer of equity or assets of NBC), NBC agrees to assign this Agreement to the purchaser or transferee and to cause such purchaser or transferee to assume NBC's obligations hereunder; provided, that the foregoing provision shall not apply in the event that this Agreement becomes an obligation of such purchaser or transferee by operation of law. Upon such assignment and assumption, NBC shall have no liability to Stations under this Agreement with respect to obligations arising after the effective date of such assignment and assumption.
- 8. For the purpose of determining pursuant to the Definitive Documentation whether the number of hours of local news which a Station broadcasts has materially decreased, the materiality standard shall be whether, for a Year, such number has decreased by at least 50% from the immediately preceding Year.
- 9. For the purpose of determining the obligations of the Stations with respect to branding pursuant to the Definitive Documentation, NBC and the Group agree to cooperate in good faith to develop a mutually acceptable branding plan with respect to each Station.
- 10. In the event of any conflict between this letter and any other document, including the Agreement, this letter agreement shall govern.

- 11. Subject to applicable law or court order, Group and NBC agree to keep the existence, terms and conditions of this letter agreement strictly confidential. Except as modified by this letter agreement, the Agreement shall remain in full force and effect.
- 12. If any provision of the Agreement or this letter agreement or the application of such provision to any circumstance is held invalid, the remainder of the Agreement and this letter agreement, or the application of such provision to circumstances other than those as to which it is held invalid, will not be affected thereby.

Please indicate your acceptance of the foregoing by signing in the space indicated below.

Very truly yours,

NBC TELEVISION NETWORK

By:

Name: John Damiano

Title: Executive Vice President
Affiliate Relations

ACCEPTED AND AGREED:

BELO CORP.

By:

Name:

Brenda C. Maddox

Title:

Vice President/Treasurer

KING BROADCASTING COMPANY

(as licensee for KTVB (Boise, ID), KGW (Portland, OR),

KING (Seattle, WA) and KTFT (Twin Falls, ID))

By:

Name:

Brenda C. Maddox

Title:

Treasurer/Assistant Secretary

WCNC-TV, INC.

(as licensee for WCNC (Charlotte, NC))

By:

Name:

Brenda C. Maddox

Title:

Treasurer/Assistant Secretary

SCHEDULE A

KING-TV Seattle-Tacoma Pacific Time Period

OUT-OF-PATTERN CLEARANCES NBC PROGRAMMED TIME PERIODS Monday through Saturday: 8:00-11:00 P.M. None Sunday: 7:00-11:00 P.M. None Monday through 11:35 P.M. - 2:05 A.M. None Thursday: Friday: 11:35 P.M. - 2:35 A.M. None Saturday: 11:30 P.M. - 1:00 A.M. Local news airs until 11:35 P.M (resulting in SNL to air 5 minutes delayed). Monday through Friday: 4:30 - 5:00 A.M. None 7:00 - 10:00 A.M. None 5:30 - 6:00 P.M. Local news airs 5:30 - 6:00 P.M. Saturday: 7:00 - 9:00 A.M. Local news airs 7:00 - 9:00 A.M. 5:30-6:00 P.M. Local news airs 5:30 - 6:00 P.M. Local news airs 8:00 - 9:00 A.M. Sunday: 8:00-9:00 A.M. 10:30-11:30 A.M. Local airs from 11:00 - 11:30 A.M. Local news airs 5:30 - 6:00 P.M. 5:30 - 6:00 P.M. Monday through Friday: 1:00 - 3:00 P.M. None Saturday: 10:00 A.M - 1:00 P.M. Local airs 10:00 - 10:30 A.M. Monday through Friday: 2:05 - 4:00 A.M. Local airs 2:05 - 3:35 A.M on Monday through Thursday and 2:35 - 4:05 A.M. on Friday.

KGW-TV Portland

Pacific Time Period

NBC PROGRAMMED TIME PERIODS		OUT-OF-PATTERN CLEARANCES
Monday through Saturday: Sunday:	8:00-11:00 P.M. 7:00-11:00 P.M.	None None
•	11:35 P.M 2:05 A.M. 11:35 P.M 2:35 A.M. 11:30 P.M 1:00 A.M.	None None
Monday through Friday:	4:30 - 5:00 A.M. 7:00 - 10:00 A.M. 5:30 - 6:00 P.M.	None Local airs 9:00 - 10:00 A.M. (until Fall 2001). None
Saturday:	7:00 - 9:00 A.M. 5:30-6:00 P.M.	Local news airs 7:00 - 9:00 A.M. Local news airs 5:30 - 6:00 P.M.
Sunday:	8:00-9:00 A.M. 10:30-11:30 A.M. 5:30 - 6:00 P.M.	Local news airs 8:00 - 9:00 A.M. None Local news airs 5:30 - 6:00 P.M.
Monday through Friday:	1:00 - 3:00 P.M.	Local airs 1:00 - 2:00 P.M.
Saturday:	10:00 A.M - 1:00 P.M.	Local airs 10:00 - 10:30 A.M.
Monday through Friday:	2:05 - 4:00 A.M.	None

WCNC-TV Charlotte

Eastern Time Period

NBC PROGRAMMED	TIME PERIODS	OUT-OF-PATTERN CLEARANCES
Monday through Saturday:	8:00-11:00 P.M.	None
	7:00-11:00 P.M.	None
Monday through Thursday:	11:35 P.M 2:05 A.M.	None
	11:35 P.M 2:35 A.M.	None
Saturday:	11:30 P.M 1:00 A.M.	None
Monday through Friday:	4:30 - 5:00 A.M.	None
	7:00 - 10:00 A.M.	None
	6:30 - 7:00 P.M.	None
Saturday:	7:00 - 9:00 A.M.	Local news airs 7:00 - 9:00 A.M.
·	6:30-7:00 P.M.	None
Sunday:	8:00-9:00 A.M.	Local news airs 8:00 - 9:00 A.M.
	10:30-11:30 A.M.	None
	6:30 - 7:00 P.M.	None
Monday through Friday:	1:00 - 3:00 P.M.	None
Saturday:	10:00 A.M - 1:00 P.M.	Local airs 10:00 - 10:30 A.M.
Monday through Friday:	2:05 - 4:00 A.M.	None

KTVB-TV Boise

Mountain Time Period

NBC PROGRAMMED TIME PERIODS		OUT-OF-PATTERN CLEARANCES
Monday through Saturday:	7:00-10:00 P.M. 6:00-10:00 P.M.	None None
Sunday.	0.00-10.001.34.	None
Monday through Thursday:		None
5	10:35 P.M 1:35 A.M.	None
Saturday:	10:30 P.M 12:00 A.M.	None
Monday through Friday:	4:30 - 5:00 A.M.	None
,,,onda, one a garaction,	7:00 - 10:00 A.M.	Local airs 9:00 - 10:00 A.M. (until Fall 2001).
	5:30 - 6:00 P.M.	None
Saturday:	7:00 - 9:00 A.M.	Local news airs 8:00 - 9:00 A.M.
•	5:30-6:00 P.M.	None
	0.00.0.00.1.34	
Sunday:	8:00-9:00 A.M.	None
	10:30-11:30 A.M.	None
	5:30 - 6:00 P.M.	None
Monday through Friday:	12:00 - 2:00 P.M.	Local news airs 12:00 - 1:00 P.M.
Saturday:	10:00 A.M - 1:00 P.M.	Local airs 10:00 - 10:30 A.M.
Monday through Friday:	1:05 - 3:00 A.M.	None



August 1, 2001

Belo Corp. 400 South Record Street Dallas, Texas 75202

Re: KTVB (Boise, ID)

WCNC (Charlotte, NC) KGW (Portland, OR) KING (Seattle, WA) KTFT (Twin Falls, ID)

Ladies and Gentlemen:

This letter sets forth the agreement (the "Letter Agreement") between the NBC Television Network ("NBC") and Belo Corp. ("Group") with respect to the affiliation with NBC of KTVB (Boise, ID), WCNC (Charlotte, NC), KGW (Portland, OR), KING (Seattle, WA), and KTFT (Twin Falls, ID) (collectively, the "Stations").

- 1. <u>Affiliation of the Stations</u>. The Stations shall be affiliated with NBC on the terms and subject to the conditions set forth in Exhibit A, which is incorporated herein by reference. The parties intend to negotiate one or more long-form agreement(s) containing such terms and conditions (the "Definitive Documentation") not later than October 15, 2001; to the extent that the parties fail to execute the Definitive Documentation, this Letter Agreement shall govern.
- 2. <u>Binding Agreement</u>. This Letter Agreement shall be binding upon NBC and Group and each of their respect. z subsidiaries and affiliates upon execution hereof by each of NBC and Group.
- 3. <u>Termination</u>. In the event that this Letter Agreement has not been executed and returned to NBC by Group by 5:00 P.M. New York City time on August 10, 2001, the offer set forth in this Letter Agreement shall automatically terminate at such time that each of the Stations' current affiliation agreements with NBC (including without limitation all amendments and supplements thereto) shall terminate in their entirety.
- 4. <u>Miscellaneous</u>. This Letter Agreement and the exhibits and schedules hereto constitute the entire agreement and understanding of the parties relating to the affiliation of the Stations with NBC and supersede all prior and contemporaneous agreements, negotiations, and understandings between the parties, both oral and written, relating to the affiliation of the Stations with NBC, other than with respect to the Inventory Management Plan and the NBC Promotion Swap Program, and the most recent amendments to Stations' prior affiliation

agreements with respect to network non-duplication protection under Federal Communications Commission Rules Section 76.92, which shall continue in accordance with their terms. No waiver or modification of any provision of this Letter Agreement shall be effective unless in writing and signed by both parties. The terms of this Letter Agreement shall apply to the parties hereto and any of their successors or assigns; provided, however, that this Letter Agreement may not be transferred or assigned by Group without the prior written consent of NBC. This Letter Agreement may be executed in counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same document.

5. Governing Law and Jurisdiction. This Letter Agreement shall be governed by and construed under the laws of the State of New York applicable to contracts fully performed in New York, without regard to New York conflicts law. The parties hereto irrevocably consent to and submit to the exclusive jurisdiction of the federal and state courts located in the County of New York. The parties hereto irrevocably waive any and all rights to trial by jury in any proceeding arising out of or relating to this Agreement.

If you are in agreement with the above terms and conditions, please indicate your acceptance by signing in the space provided below, and return one original to us. In accordance with Paragraph 3 above, this Letter Agreement shall be null and void if not signed and returned to us by 5:00 P.M. New York City time on August 10, 2001.

Very truly yours,

NBC TELEVISION NETWORK

By:

John Damiano

Executive Vice President, Affiliate Relations

ACCEPTED AND AGREED:

BELO CORP.

By:

Name:

Brenda C. Maddox

Title:

Vice President/Treasurer

KING BROADCASTING COMPANY

(as licensee for KTVB (Boise, ID), KGW (Portland, OR),

KING (Seattle, WA) and KTFT (Twin Falls, ID))

By:

Name:

Brenda C. Maddox

Title:

Treasurer/Assistant Secretary

WCNC-TV, INC.

(as licensee for WCNC (Charlotte, NC))

By:

Name:

Brenda C. Maddox

Title:

Treasurer/Assistant Secretary

NBC Affiliation Agreement Terms: BELO CORP. KTVB (Boise, ID), WCNC (Charlotte, NC), KGW (Portland, OR), KING (Seattle, WA), KTFT (Twin Falls, ID)

Term: 12 years; 1/1/2001 – 12/31/2012

Programmed Time Periods: Consistent with current practices, subject to changes from

time to time at NBC's discretion.

Program Clearances: Full, in pattern clearance of all Network programming.

Full clearance of special programming, including sports. Subject only to preemptions strictly in accordance with FCC

rules and regulations and baskets set forth below.

Stations to reimburse NBC for lost network ad revenue (as reasonably determined by NBC) for any non-clearances with exception of live breaking news preemptions pursuant to

baskets.

Baskets: Preemption baskets: 5 hours per Station in Prime and 5 hours

per Station in Sports.

Local Inventory Level: Consistent with current practices.

Inventory Management Plan: Continuation per existing IMP agreement.

On-air Network Promotion: Commitment per Station to 16,000 GRP's annually of

Network promotion or Station's current level, whichever is higher, with minimum 40%, maximum 60% allocated to

Prime.

Compensation: See attached schedule; payments twice per year.

<u>Promotion Reimbursement:</u> None from TV Network – NBC Affiliate Promotion plan

continues subject to yearly evaluation, per current practice.

Program Development Costs: Each Station agrees to negotiate with NBC in good faith to

financially support potential future NBC efforts to secure for

the Network major sports and entertainment program

opportunities.

Station Payments: Stations' obligations per News Channel Agreement.

Stations' contributions to NBC Distribution Costs (incl. Agreement to Genesis funding plan), subject to adjustment

by NBC upon notice to Stations.

Digital Program Delivery:

NBC shall provide, and each Station commits to deliver, subject to the terms hereof, the main digital network programming channel (including program-related material) in an industry recognized digital format, without alteration, as provided by NBC.

Each Station and NBC shall have an obligation to negotiate, in good faith, with the other party regarding the carriage of additional digital content.

Stations and Group to negotiate with NBC in good faith regarding carriage of multiplexed programming and additional ancillary data beyond program-related material.

Confidentiality:

Group and Stations agree to keep the terms and conditions of this term sheet strictly confidential except as may be required by law. Notwithstanding the foregoing, neither Group nor any Station shall disclose this term sheet or any provision hereof without at least 2 business days' prior notice to NBC.